

## EDITORIAL

### Eisenhower and Health

PHYSICIANS who heaved a sigh of relief when Dwight Eisenhower was elected President of the United States have had cause in the past two years to wonder whether or not some other manifestation might not have been more in order.

Specifically, Dwight D. Eisenhower has not proved to be the savior of the medical profession against socialistic threats; in fact, he has espoused or supported some measures in the Congress which might easily be regarded as moving toward, instead of away from, socialism.

In the last Congress, which was dominated by a slim majority of Republicans, the President achieved a good deal of his overall legislative policy. He missed out on a few measures and turned his back on others but, net, he got pretty much what he asked for.

In the 1955 Congress, where the Democrats are again in control, the President faces the possibility of partisanship and a different policy of look-see on what he proposes as new laws for the country.

A few weeks ago President Eisenhower gave to the Congress his entire program of legislation. Part of it concerned health measures for which he sponsored federal aid or leadership. In the main the medical profession has found this program palatable, although there may be some quibbling over just how far Uncle Sam should go in dominating health programs administered by the states or in foisting such programs on the states and local communities by direction or indirection.

By and large, the medical profession has gone along with Mr. Eisenhower on such matters as fostering additional cancer research, aiding the states to further their past studies on communicable diseases and cooperating in the detection and control of diseases which have heretofore been labeled

public health menaces. The American Medical Association has patted the President on the back for his sponsorship or leadership in promoting the public interest in such noncontroversial fields.

When the subject gets into controversial matters, however, there appears ample room for discussion, argument and opposition. And there are two measures now before the Congress, with Administration sponsorship or support, which definitely cause raised eyebrows when considered by physicians.

The first of these bills is the so-called "reinsurance" bill, which proposes to set up a federal fund to reinsure private insurance carriers against the unknown risks encountered in extending the scope of coverage of voluntary health insurance. On the surface this measure seems to have a most humanitarian motive, that of making available to the people a form of health insurance coverage not heretofore offered by underwriters. If this end were actually in sight, the medical profession would doubtless be the first group to embrace this proposal.

However, when a little further research is undertaken, the "reinsurance" bill is stripped of its humanitarian aspect and left as simply another socialistic plan to pour federal funds into what otherwise would be an economic rathole.

Under this proposal, Uncle Sam would set up an insurance agency which would underwrite, to the extent of \$100,000,000 the first year, any unusual losses suffered by insurance underwriters in offering to the public an extended coverage of their present health insurance contracts. Uncle, however, would cover only 75 per cent of such losses and would look to the principle of co-insurance for the underwriters to meet the final 25 per cent of such losses. Stripped to this point, the bill appears to be more of a paper argument than a reality. Its only potential adherents would seem to be those underwriters who, for an added premium, would under-

take to cover the costs of catastrophic or chronic disease without actuarial knowledge of the risk involved.

Insurance carriers have been loath to assume such risks in the past and their attitude is no different today. In fact, a committee of top-flight insurance executives has already advised the Administration that this type of coverage is not economically sound and that if it were sound, the insurance companies have more than the amount proposed as a federal sop to take on the added risk. Despite this advice from those in the field, the Administration continues to push for passage of this proposal.

The President has added a second controversial measure to his program this year. He has embraced the philosophy of the Wolverton bill offered in the last Congress and not accepted at that time by the President. This bill, in last year's form, would provide federal funds to insure mortgages for the construction of health facilities and hospitals in which prepaid medical cost insurance would provide the bulk of the patients to be treated. There is some indication that the last-named feature may have been eliminated in the 1955 version of the proposal, but the provision of the FHA-type mortgage guarantee remains.

Under this bill, any operator of a closed-panel type of medical cost insurance could look to Washington for a guarantee of mortgage loans to cover his construction of clinics or hospitals. Without this bill, he would be dependent on his own resources and credit standing, as he has been in the past. Why bother with personal credit when federal money is available?

This legislation has been proposed by Representative Wolverton of New Jersey but there appears ample evidence that he has had assistance from outside Congress in the philosophy and drafting of the measure. In fact, in the closing days of the last Congress the congeniality between the offices of Congressman Wolverton and Mr. Henry J. Kaiser, West Coast industrialist, became so obvious in

Washington that this proposal was popularly referred to as the "Wolverton-Kaiser Bill."

If such private influence is behind this proposal, the reason would appear obvious. Private credit can be stretched only so far but the public purse can be called upon (if this type of measure is enacted into law) to set up guarantees which will make the normal lending agencies open up their credit ledgers. If this occurs, the entire population of the United States is called upon to furnish financial aid for the realization of private dreams.

Here is where medicine differs with the President. Here is where the battle lines will doubtless be drawn. The resolution of the question of what—financial or socialistic—is best for the American people will become the rallying point for advocates and adversaries.

The fate of this measure in the present Congress will not be determined for some time. Right now Congress is controlled by a Democratic majority, which may well differ with the President in his proposals. Also, there may be some question on the broadened base of this mortgage loan proposal, which in the earlier Congress was limited to a narrower field of potential borrowers.

As introduced in this Congress, the mortgage loan bill is described by Gerald Gross, noted Washington medical observer, as a "section of the President's national health plan . . . sired by Henry J. Kaiser and embraced belatedly by the White House. It goes further than the Wolverton-Kaiser bill of 1954, extending eligibility for loan insurance to operators of proprietary, profit-making hospitals, clinics and licensed convalescent homes as well as nonprofit enterprises."

Such terms of eligibility may not be acceptable to some members of Congress. The entire proposal may also draw fire on partisan lines.

Medicine is nonpartisan. Its interest lies in the good of the people, along both scientific and economic lines. Its voice deserves to be heard in matters of this character.